

IMPACT REPORT **2024**

For Financial
Year 2023



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SFDR: Sustainable Finance Disclosure Regulation

CSRD: Corporate Sustainability Reporting Directive

NZAM: Net Zero Asset Managers initiative

TCFD: Task Force on Climate Related Financial Disclosures

TNFD: Taskforce on Nature-related Financial Disclosures

PAI: Principal Adverse Impacts

SIMPL: Sustainability Impact Measurement Platform

CIARA: Climate Impact Analytics for Real Assets

KPIs: Key Performance Indicators

UNGC: United Nations Global Compact

RTS: Regulatory Technical Standards

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Meridiam
for people and the planet

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#forpeopleandtheplanet
#investingfortomorrow
#sustainableimpact
#UNSDGs
#inclusion

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2024 MARKS THE BEGINNING OF A NEW AMBITION FOR MERIDIAM

Our new Mission Objectives to 2030 address our latest targets for positive impact on Climate, People and Nature and sit at the confluence of the evolving regulatory environment and our own pledges. They dovetail neatly with the timelines for broad international targets including the UNSDGs, as well as our own goals, such as our commitment to the Net Zero Asset Managers initiative to reduce Scope 1 and 2 carbon emissions by 50% by 2030, and ultimately to be carbon neutral across our organisation and all our assets by 2050.

Each commitment we make is not an aspiration or a hook for marketing. It is a hard target, backed by rigorous assessment, root and branch action, and accountability to ensure we deliver our promises. They require intense and immediate effort. But they will bring tangible benefits for people and the planet, ultimately contributing to our value creation.

Our overall climate strategy and global decarbonisation plan will lay the foundations of our path towards greater positive impact. They will be followed by detailed action plans for all our assets by early 2025. There will be no one-size-fits-all approach. Each plan will set targets that are both ambitious and realistic, representing the best each asset can achieve. And, of course, while playing our part in tackling the causes of climate change, we will continue to address its effects with assets and strategies that help countries and communities to adapt and become more resilient.

Applying that focus to People gives us a global policy on the protection of Human Rights, as well as the promotion of gender equality across our organisation and assets, backed by strategies for professional development, promotion of talent, and more inclusive hiring practices.



By linking concrete objectives
with defined action plans,
we can create and transform
infrastructure assets to deliver
real impact.

Thierry Déau Founder and CEO, Meridiam

Apply it to Nature and we have approaches that can elevate our already-high standards on protecting the environment. As early adopters of the Taskforce of Nature-related Financial Disclosures (TNFD), we are trialling methodologies to assess nature-based risks and opportunities, thereby helping us deliver investments that contribute even more positively to biodiversity.

Every action needs to produce clear impact, but also represent value for money. Our tools make sure we maximise the use of our investors' resources, and allow us to assess our progress annually. And, if needed, we will realign our targets to be even more ambitious.

Thanks to our ever evolving approach, we can deliver impact in active areas – critical public services, sustainable mobility, and innovative low-carbon solutions – while identifying complementary fields where we can make a real difference, such as the deployment of nature-based solutions and the transition to more sustainable agriculture. Our Mission is our guide, so all these opportunities must be carefully mapped, clearly defined, and deliver impact that drives us towards our Objectives.

Infrastructure today remains an asset class characterised by its relationship between risk and reward. Yet it is also a sector ripe for innovation, where creative thinking can create assets that can make a meaningful difference to people and the planet around them.

Meridiam Sustainability Milestones

Since inception, Meridiam has put ESG at the heart of its activities starting with the adoption of EIB E&S Policy and AFD environmental and social policies and requirements



2006

Signatory of:
 Principles for Responsible Investment



2011

First set of carbon footprint assessments undertaken by  carbone4 by Meridiam


2014

Signatory of
 TASK FORCE ON CLIMATE-RELATED FINANCIAL DISCLOSURES
 Development of Meridiam's proprietary tool


2018

Launch of the 2-infra initiative with  carbone4 | finance initiating the development of the CIARA methodology for infrastructure asset manager
 Meridiam becomes a **"Société à Mission"**
 Definition of the **long-term sustainability objectives¹**
 a Software as a Service (SaaS) that tracks and monitors the impact of assets against ESG targets and the United Nations Sustainable Development Goals (UNSDG)

2019


 carbone4 | finance
 First report on portfolios' temperature
 Meridiam undertakes its first sustainability assessment with Moody's

2020

Meridiam commits that all new funds will tend to a temperature trajectory aligned with the Paris agreement
 carbone4 | finance second report on portfolios' temperature
 Meridiam becomes a signatory of **THE NET ZERO ASSET MANAGERS INITIATIVE**

First TCFD report
 Meridiam becomes a Benefit Certified Corporation (BCorp), an international certification that recognizes that, together with its subsidiaries, it has been designated as meeting high standards of social and environmental impact
NZAM targets established: reduce scope 1 and 2 emissions per million invested by 50% by 2030
Sustainability Assessment: Moody's carries out a comprehensive CSR assessment of Meridiam on a bi-annual basis. In a 2022 Sustainability Assessment, Meridiam obtained a scoring of 65/100, hence rating "Advanced"²

2021

Launch of Meridiam Assets Decarbonisation (MAD) initiative. To reduce the assets GHG emissions and define Meridiam decarbonisation trajectory
 Principles for Responsible Investment In 2023, Meridiam scored 100% on 3 out of 4 modules (Policy Governance and Strategy, Direct Investors in Private equity, Confidence building measures) and 95% on a fourth module that is Direct Investors in Infrastructure
 On all 4 modules, Meridiam's performance was above the median scores which ranged from 59% to 80%³

2022

2023

 Taskforce on Nature-related Financial Disclosures
 TNFD early adopter
 Human Rights Policy
 Climate Policy (S1 2024)
 New mission objectives

2024

1. Deliver resilient infrastructure & develop sustainable cities, Accelerate energy transition, Avoid & reduceee missions, Promote good work conditions, inclusion, diversity & gender equality, Protect & enhance biodiversity.
 2. Recognition was received in December 2022. Members of Moody's ESG Solutions are required to pay for their application to be analyzed and scored against Moody's benchmarks.
 3. Recognition of this assessment was received in December 2023 by UN PRI (www.unpri.org/). Members of the UN PRI are required to pay for their application to be analyzed and scored against the UN PRI benchmarks.

More than
\$85 billion
invested
since
inception



Over
\$22
billion of
assets
under management²



125
projects

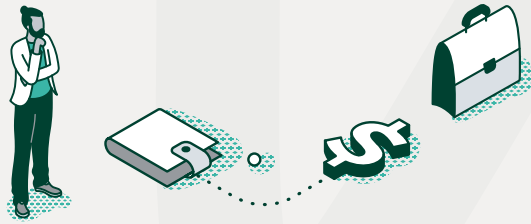
under development,
construction or in
operation



1. Consolidated Meridiam's prorata share of Investment Companies' financial results in 2023 (excluding SUEZ)

2. Based on Investments Fair value as of 31.12.2023 for first generation funds and on Fund Size for new generation funds

3. Total of transaction sizes for projects added in 2023

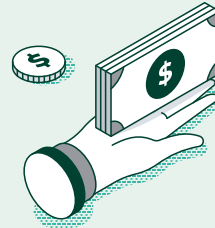


Portfolio¹
Revenues of **\$7.2**
billion (vs \$6.5 bn in 2022)

EBITDA of **\$2.7**
billion (vs \$2.3 bn in 2022)

Enterprise Value: \$37.2
billion (vs \$32.3 bn in 2022)

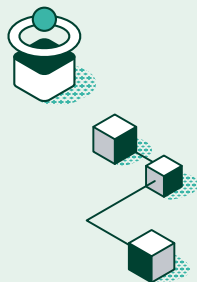
\$3 billion
invested
in 2023³



368
employees across

56 Countries

including 148 in project
companies



10 offices
worldwide

Europe: Paris, Luxembourg, Vienna,
Istanbul, Amman

North America: Washington DC

Africa: Dakar, Addis-Ababa,
Johannesburg, Libreville

SUSTAINABLE DEVELOPMENT GOALS



SDGs 5, 8, 9 and 17 apply to all categories below.

3 GOOD HEALTH AND WELL-BEING	11 SUSTAINABLE CITIES AND COMMUNITIES	Healthcare facilities	57 = last year
		Hospital beds	12,300 +14% ↗
4 QUALITY EDUCATION	11 SUSTAINABLE CITIES AND COMMUNITIES	Students	28,000 +22% ↗
6 CLEAN WATER AND SANITATION		People served with clean drinking water	57 Million ¹ = last year
7 AFFORDABLE AND CLEAN ENERGY		Total Renewable Production Capacity	755 MW ² +15% ↗
13 CLIMATE ACTION		EV Charging points	35,000 +3% ↗
		Carried electricity	1.4 GW
		Length of land and subsea cables	725 km
		Deployed capacity (through smart devices) ³	573 MW +49% ↗

1. Change in consolidation method
2. Excluding SUEZ
3. Electricity demand management

5 GENDER EQUALITY	Total employees - including 148 in project companies - 250 men and 118 women (32% of total)	368
8 DECENT WORK AND ECONOMIC GROWTH	Nationalities	38
	Number of offices worldwide	10
17 PARTNERSHIPS FOR THE GOALS	Jobs created (Direct and indirect)	250,000 +5% ↗
	Countries	56
	Number of projects and assets under development, construction or in operation	125
11 SUSTAINABLE CITIES AND COMMUNITIES	Rail & tramway lines	1,170 km = last year
	Maritime freight volume	50 Million tonnes = last year
	Passengers travelling through rail, tram & bus every year	259 Million +11.5% ↗
	Passengers travelling through airports	39 Million +5% ↗
	Roads	2,500 km = last year
	Passengers travelling through ports	7.3 Million +43% ↗
	Student rooms	3,000 = last year
	Fibre - km of fibre	27,800 km +36% ↗
	- Connected households/businesses / Homes passed	1.8 Million +35% ↗
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	14 LIFE BELOW WATER	15 LIFE ON LAND
	Waste treated per year	28 million tonnes +65% ↗

Meridiam Key figures, as of end of December 2023

The % shows the evolution compared to the end of December 2022

Figures disclosed represent 2023 actuals for projects in operation and forecasts for projects in development/under construction

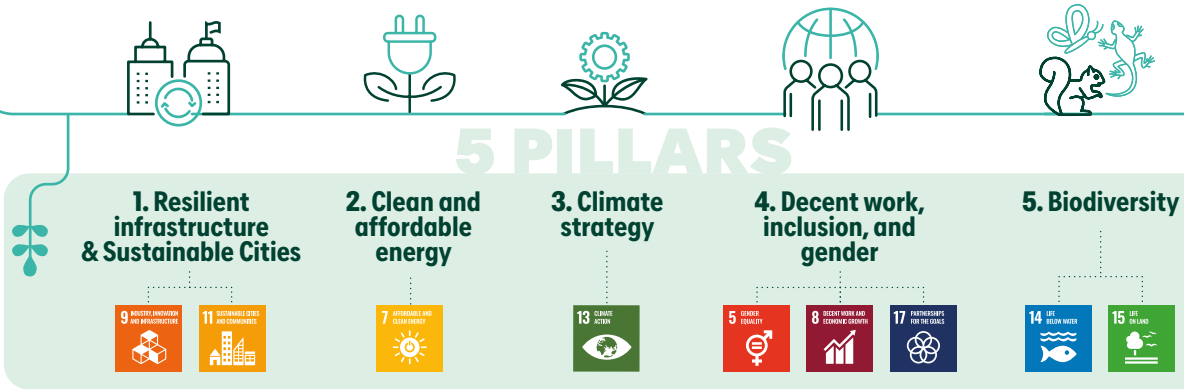


Our MISSION

“ **TOGETHER** with our we deliver **SUSTAINABLE** and improves the **QUALITY**

Sustainability as a business philosophy and strategy

The firm was founded in 2005 based on the principle that infrastructure investment should be long-term, responsible, and sustainable, with clear benefits to local communities.



These pillars shape our organization and our investment approach.

All our investments align with our Five Pillars, and those Pillars align with the United Nations Sustainable Development Goals (UNSDGs) and with our Mission to improve the quality of people’s lives – through more sustainable infrastructure services that champion fairer conditions for workers, communities and users, and safeguard the environment around them. They are not aspirations, but obligations.

TRANSPARENCY & ACCOUNTABILITY

PLEDGES, POLICIES & PROCESSES

- > Sustainable Development Charter
- > Sustainable Risk Policy
- > Human Rights Policy
- > Climate Policy
- > Nature Policy (TBD in 2025)
- > Anti-Bribery & Corruption
- > Data Protection Charter
- > Responsible Lobbying Policy
- > Remuneration Policy
- > Internal investment and asset management processes (by-laws, procedures and guidances)

CERTIFICATIONS

- > BCorp/Société à mission



FRAMEWORK

Regulatory

- > EU Taxonomy
- > SFDR
- > CSRD

Market Impact

- > NZAM
- > TCFD
- > TNFD

investors and partners, resilient **INFRASTRUCTURE** that **OF PEOPLE'S LIVES** ”

Our 5 pillars help turn our mission into deliverable goals and commitments for all our stakeholders

INVESTORS



CLIENTS



PARTNERS



COMMUNITIES



WORKERS



USERS



We strongly believe value creation is both financial and extra financial and put impact goals on par with financial objectives.

Financial Objectives

Ensure stable, long-term returns for shareholders and investors

Extra-financial benefits

Mission Objectives in line with the **5 PILLARS**

We commit to transparency and accountability and have developed tools to support the monitoring of our impact.

All our assets have concrete, measurable and deliverable environmental, social and governance goals, backed by action plans and KPIs that measure our impact.

The result is pledges and policies from Climate to Human Rights, tools such as SIMPL.* or CIARA**, disclosures, benchmarking, and continuous improvement plans, including roadmaps for every asset.

* SIMPL (Sustainability Impact Measurement Platform), which is used to track and monitor the impact of all our assets against ESG targets and UNSDGs.

** CIARA (Climate Impact Analytics for Real Assets), which is used to measure the alignment of all our assets with the Paris Agreement, meaning towards 2°C and below.

TOOLS

MEASUREMENT, ANALYSIS & ACTION PLAN

- > SIMPL.
- > CIARA
- > Carbon Footprint
- > Risk Matrix

BENCHMARKING

- > UN PRI
- > Sustainability Assessment

PERFORMANCE

MONITORING

- > Impact and Mission Committee Report
- > Sustainability Assessment
- > Société à Mission & B-Corp audit
- > RTS
- > PAI
- > TCFD
- > TNFD

CONTINUOUS IMPROVEMENT

- > Project Roadmap
- > ASIP (Asset SDG Implementation Plan)
- > Assets Decarbonisation Action Plans (MAD initiative)
- > Nature Action Plans (to be launched in 2025)



Making our Mission Real

Since inception our mission has defined our approach to infrastructure. Much more than that, we have built our strategy and our organisation around it. Today, we are proud to share what we do, and how we do it, with the world.

“Together with our investors and partners, we deliver **sustainable infrastructure** that improves the **quality of people’s lives.**”

Our Mission is clear and simple.

Meridiam’s Mission has guided us since our foundation in 2005. We believe very firmly that every single project we invest in, develop, and manage must be long-term, responsible, and sustainable, with clear benefits for local communities. That focus on making a positive impact for people and the planet runs through everything we do. We put it on par with financial returns. Indeed, we believe the two are inextricably linked. We are convinced only investment through the lens of ESG can protect and maximise the value of infrastructure assets that we expect to be delivering while providing essential services to people in the years and decades to come.


More and more people, as well as investors and investment managers have come around to this way of thinking. We welcome them and urge other investors and investment managers to join us.

Meridiam’s Mission is fixed and our goal is clear, yet we are driven to do better, and to deliver more. We embraced the creation of Mission Company status in France in 2019 and became a globally recognised B Corp in 2022.

We strive to be at the forefront and eager to adopt higher standards in infrastructure. We embrace and champion policies that we believe can benefit people and the environment. We push best practices. We carefully measure our impact. And we analyse where we can improve our performance.



First Independent Third Party Audit regarding our mission company status in France conducted by Baker Tilly a certified independent expert, in 2022



Everything starts with our Mission, which leads to our Five Pillars and Mission Objectives. It gives us a clear focus on how – collectively and individually – we can always be working to deliver benefits for people and the planet.”

Thierry Déau
Founder and CEO,
Meridiam



We are always looking at ways to improve, such as becoming an early adopter of TFND recommendations on nature-related disclosures and producing our own Human Rights policy. Measuring our impact and creating action plans is the starting point for initiatives that make a positive impact on people's lives."

Ginette Borduas, Partner and Head of ESG & Sustainability

From the Mission to the Five Pillars

We reinforced our sustainability strategy by creating our Five Pillars. Since 2019, these Pillars have shaped our organisation and defined how we invest. They align with the UN Sustainable Development Goals (SDG) and with our Mission to improve the quality of people's lives.

But how do we know our actions are actually improving people's lives?

Our Mission Objectives put our goals into quantifiable targets that are continuously assessed and contribute directly to the SDGs most relevant for Meridiam. Our Mission Committee ensures that we are transparent and accountable about everything we do, and everything we promise to do.

From our Five Pillars to our 2030 Mission Objectives

Having delivered against our initial Mission Objectives in 2023, our new and current Mission Objectives are set for **7 years**. They make the alignment of our Five Pillars and the UNSDGs concrete. They are clearly linked, namely, with our Net Zero Asset Managers pledge for 2030, which includes a 50% reduction in scope 1 and 2 emissions across our portfolio by 2030.

Our Mission Objectives fall into three categories, covering Climate, Nature and People. They are set at Meridiam level as overarching objectives and are broken down for each relevant SDG for us.

They encompass our extra-financial targets and complete the virtuous circle that ensures our workstreams are focused on positive impact on people and the planet, and embodying our Mission

They will be monitored every year. And if needed and based on the first 2024-2026 analysis period, we will realign them to be even more ambitious.

11

The Mission Objectives are set and evaluated using the following measuring tools and methods:

> **Moody's Sustainability Assessment¹**

Meridiam monitors its CSR performance every two years based on an assessment conducted by a third-party ESG/SDG ratings agency – Moody's. Since 2020, this assessment is even more comprehensive and covers the whole sustainability approach of Meridiam and how it is implemented in all its activities. This assessment is used to monitor our so-called 'Leadership' overarching mission objective.

> **Completion of Climate, People and Nature-related workstreams**

Overarching mission objectives have been defined for the 2024-2025 period. They aim to further embed Meridiam's Mission Strategy and to contribute to achieving our SDG-related mission objectives. These overarching objectives refer to workstreams define to deliver climate, people and nature policies and action plans. Specific timelines allow us to monitor their completion rate.

> **CIARA**

CIARA (Climate Impact Analytics for Real Assets) evaluates an asset's contribution to a 2°C warming scenario and systematically measures the estimated carbon footprint at financial close. This covers Scope 1, 2, and 3 for the construction and operation of an asset. We use this tool to monitor our progress on our NZAM pledge, more precisely the SDG 13-related objective (Objective 4). This tool was developed by Carbone 4, with the support of Meridiam and four other sponsors.

> **SIMPL**

The 'Sustainability Impact Measurement Platform' (SIMPL) allows us to collect ESG information provided by all assets, and to track and monitor their impact against ESG targets and UNSDGs. Using data collected with SIMPL, we monitor our performance on all other SDG-related mission objectives.

1. https://www.meridiam.com/wp-content/uploads/2023/03/Meridiam_Certificate_December-2022_vF.pdf

Meridiam overarching mission objectives

LEADERSHIP

First and foremost, and as an overarching objective, we strive to be a sustainability leader within the infrastructure asset management industry.

This is not only an ambition, as our clear and concrete objective is to **remain in the Top Three asset managers in Europe compared to market peers** ¹. Benchmark will be based on an independent sustainability assessment performed by Moody's every two years. And next assessment will be performed in 2024.

¹. Moody's internal ranking: <https://www.moody.com/web/en/us/capabilities/esg-risk.html#solutions>

CLIMATE

We have set two clear overarching objectives at both governance and asset levels to address climate-related issues:

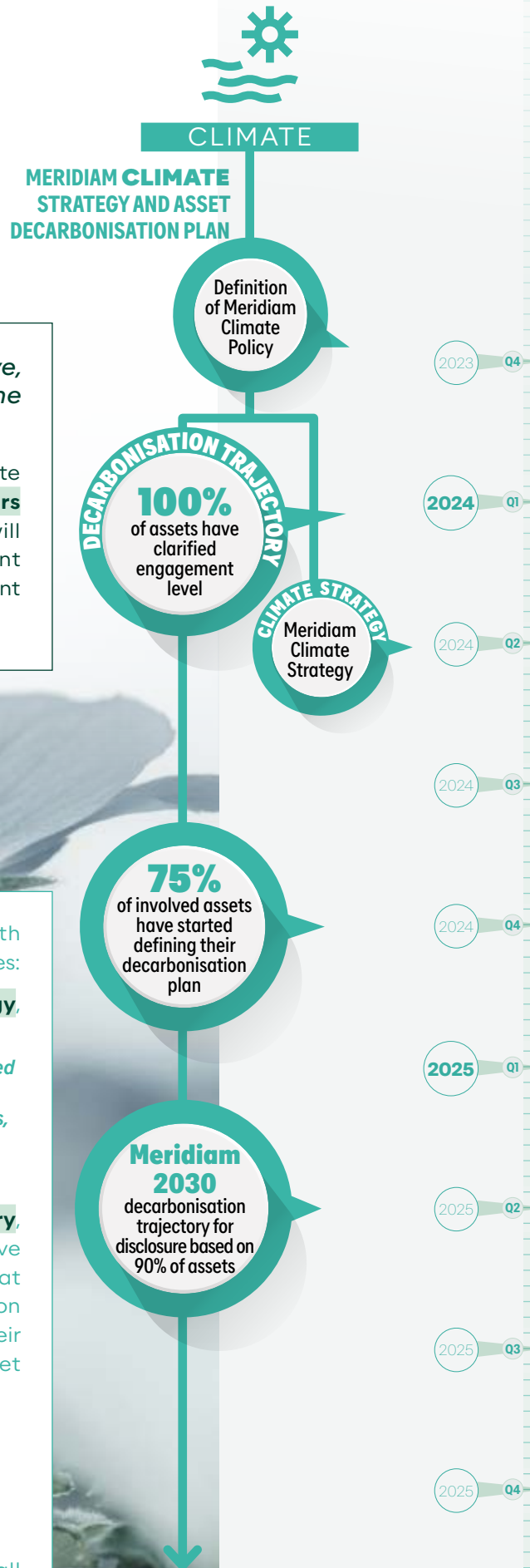
By Q2 2024, we will formalize our overall **Climate Strategy**, providing:

- *Details on how climate-related concerns and actions are embedded in all our activities and processes.*
- *Additional information to all our stakeholders on our commitments, the governance structure responsible for the implementation of the Climate Strategy, and the monitoring, reporting processes and the tools used to measure progress.*

By Q2 2025, we will disclose our **Decarbonisation Trajectory**, the result of Meridiam Asset Decarbonisation (MAD) initiative launched in November 2023 with all our assets. It aims at supporting the assets to develop their decarbonisation action plans and roadmaps; the assets being responsible for their implementation. Based on a detailed roadmap, all asset decarbonisation action plans will comprise

- *Detailed inventory of Scope 1, 2 and 3 carbon emissions*
- *Identification of decarbonisation measures*
- *Recommendations by technical experts*
- *Evaluation of asset decarbonisation trajectory and establishment of monitoring tool*

Based on these plans, Meridiam will disclose its overall decarbonisation trajectory to be achieved by 2030.





PEOPLE MERIDIAM HUMAN RIGHTS POLICY



NATURE MERIDIAM NATURE POLICY

- Q4 2023
- Q1 2024
- Q2 2024
- Q3 2024
- Q4 2024
- Q1 2025
- Q2 2025
- Q3 2025
- Q4 2025

Delivery of the Policy and training of teams (Meridiam & assets)

LEAP Pilot testing

First TNFD Report

Meridiam Nature Policy



PEOPLE

Our assets employ thousands of people, touch and serve millions around the world. As such, the protection and promotion of Human Rights has been embedded in our organisation since our founding and are central considerations in every investment we make. The formalisation of our Human Rights Policy² in 2024 reflects another concrete commitment to improve people’s lives. By the end of **Q2 2024**, we have committed to start to deliver and implement Meridiam Human Rights Policy, with training for Meridiam and portfolio company staff.

We also made formal commitments to develop guidance, frameworks and tools for assets – best practice guides for the portfolio companies, examples of prevention measures, etc. to be developed and shared with them by the end of Q4 and in 2025.



NATURE

We are among the early adopters of the Taskforce on Nature-related Financial Disclosures (TNFD) recommendations which intend to show the impact of our activities on nature, and ultimately support investments that contribute to nature-positive outcomes. In 2024, we intend to finalise pilot testing of LEAP methodology – Locate-Evaluate-Assess-Prepare, a nature-based risk and opportunity assessment approach devised for the TNFD initiative.

In 2025, we will disclose our first TNFD report and our Nature Policy based on the TNFD analysis.

². https://www.meridiam.com/wp-content/uploads/2024/02/Meridiam_Human-Rights-Policy_FEB2024.pdf

Meridiam SDG Related mission objectives



» TARGET 1

By 2026, 95% of assets must have developed and implemented at least 4 out of 5 of the following sustainability-related management plans (72% on average in 2022).

- **International certification (ISO 50001, ISO 14001, LEED, BREEAM, other relevant certifications or labels)**
- **Energy management system**
- **Climate change-related risk assessment and management system**
- **Waste reduction and recycling management system**
- **Water management system**



» TARGET 2

1. By 2030, achieve an actual vs. expected energy production level of 96% – for energy production assets (93% in 2022).
2. By 2030, achieve (% TBD 2024) of energy consumed vs energy produced with biomethane assets.²



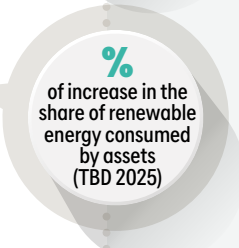
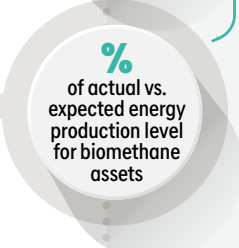
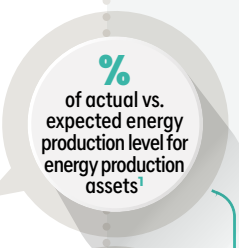
» TARGET 3

Increase the share of renewable energy consumed (TBD 2025).³



» TARGET 4

By 2030, reduce by 50% scope 1 and 2 carbon emissions in tCO₂e/year/million USD invested.



1. Except for biomethane assets for which a specific objective is set.
 2. The 2023 SIMPL. campaign will be used to set the baseline and detailed target for this objective.
 3. This objective will be set based on the results of Decarbonisation action plans, developed as part of the MAD initiative.

* KPI: Key Performance Indicators. They will be assessed and reported every year.

KPI*



PEOPLE

%
of women
in the board
of directors
of asset

» TARGET 5



By 2030, reach at least 30% of the share of women in the board of directors of assets (12% in 2022).

%
of assets with
a policy

» TARGET 6



By 2030, reach at least 80% of assets having a policy in place to monitor compliance with the UNGC principles, including a grievance handling mechanism (32% in 2022).

%
of assets committed
to at least one
community project
(assets in
operation)

» TARGET 7



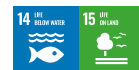
By 2030, achieve 90% of assets in operation committed to at least one community project (55% in 2022).



NATURE

%
of assets that
have integrated
measures and/or
obligations for their
supply chain

» TARGET 8



By 2030, all assets must have included measures and/or obligations in the suppliers' contracts aiming at reducing pressures on biodiversity and preserving resources.

Meridiam offices Carbon Control Initiative



Meridiam's Carbon Control Initiative aims to measure and monitor our firm's annual carbon footprint, enabling us to set carbon reduction targets and implement decarbonisation measures that bring our organisation closer to our long-term goal of reaching Net Zero* across all assets and operations.

SWEEP

More than that, our initiative contributes to carbon mitigation projects around the world, sharing the burden of reducing global emissions, while helping communities to be more resilient to climate change. Using SWEEP, a carbon management platform, we gather data at management company level, monitor our decarbonisation efforts annually, and track the contributions we make via mitigation initiatives outside our value chain. We measure the different sources of Scope 1, 2 & 3 emissions as thoroughly as possible at all our 10 international offices. That means tracking all energy used in our offices, our travel, the impact of our IT, communication and cloud services, our paper usage and creation of waste.

3,000 tons of CO₂ avoided financed in 2022

3,700 tons of CO₂ emitted in 2022

<https://www.sweep.net/>

* <https://www.meridiam.com/awards-accreditations/>



AGOTERRA – FRANCE

Promoting regenerative farming practices amongst local farmers

> 1,200 tons of CO₂ avoided

Our contribution aims to avoid 1,200 tons of CO₂ (over five years) by supporting farmers represented by the Federation Carbon Agri association to adopt regenerative agriculture practices under the Label Bas Carbone initiative in France. The two farms – one 93 ha farm with 245 cows near Boulogne-Sur-Mer in the north of the country, and another that is home to 58 cows and covering 132 ha near Toulouse in the south – plan to avoid or store 556 and 657 tons of CO₂ respectively by 2026. They aim to achieve this by improving soil health and increasing protein autonomy, reducing the use of mineral fertilisers, improving spreading methods, while also improving the quality of life for the cattle on their farms.

In addition to reducing carbon emissions, the transition to more sustainable farming should improve air and water quality on the farms and surrounding areas, reduce energy consumption, and trap more carbon in the soils.



NUBIAN VAULT – BENIN

Creating lasting and liveable vaulted earth brick housing, replacing metal roofs

> 1,800 tons of CO₂ avoided

In partnership with Association la Voûte Nubienne, we are helping 120 families in the semi-arid, sub-Saharan zone in Benin to have access to decent housing, and thereby reduce their carbon emissions.

Using a 3,000-year-old building technique, Nubian Vaults create thermally efficient and resilient homes made entirely from earth, stones and water, replacing sheet metal roofs that are unadapted to high heat and storms. Families living on less than \$2 a day take part in the building efforts by making earthen bricks and transporting water, while our contribution pays for the qualified masons and apprentices that construct the homes.

This low-impact form of construction offsets carbon in construction and can avoid the need for cooling and ventilation. Moreover, it is providing adapted and more comfortable homes for families, while preserving ancient artisanal techniques and fostering local jobs.

Our Impact in numbers

New Era for **simpl.**

SIMPL stands for Sustainability Impact Measurement Platform and is an online platform that tracks and monitors the impact of assets against ESG targets and the United Nations Sustainable Development Goals (UNSDG).

Created by Meridiam in 2018, this monitoring and management tool is now a Software as a Service (SaaS), commercialised for financial market clients and corporates through an independent company¹.

Meridiam is now a client of SIMPL, and not the only user of this pioneering impact evaluation solution.

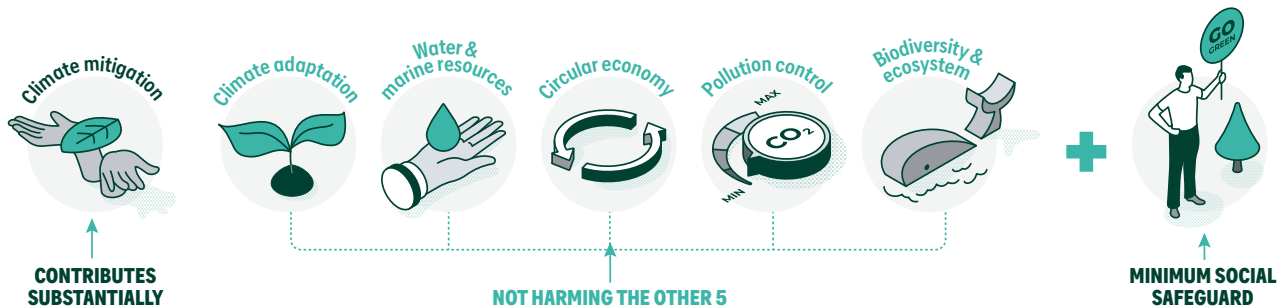
The methodology and functionalities of SIMPL, evolved last year to align with market needs

and enable even more informed and strategic decision making for organisations. It monitors and reports concrete contributions of any assets/activities under the UNSDG framework. But now, following the addition of separate modules, it offers regulatory and compliant reporting regarding the EU Taxonomy and SFDR/PAI frameworks.

Main changes in 2023

THE INDICATORS

A simplified set of indicators monitored aiming at harmonizing requested data points aligned with new market requirements.



THE BENCHMARKS

The underlying scoring methodology has been revised to reflect the evolving sectorial practices with an extended set of data points that have been collected from several industry-specific sources.

» Two new modules added to SIMPL.

> 1. The EU Taxonomy module

The EU Taxonomy (EUT) provides a common definition for economic activities that can be considered environmentally sustainable. It establishes technical criteria to check how economic activities are aligned with a net zero trajectory by 2050. Firms are required to measure the eligibility and alignment of their assets and make sure their activities:

- > Contribute substantially to at least one of the 6 environmental objectives
- > Do not harm the other 5 objectives (aka the 'Do No Significant Harm (DNHS) criteria'... and
- > Respect minimum social safeguards.

Alignment measurement is based on the Turnover, CapEx and OpEx of each asset.

> 2. The SFDR-PAIs module

In force since 10/03/2021, the European Sustainable Finance Disclosure Regulation (SFDR) lays down transparency obligations both for financial players and products. It aims to:

- > Provide information to investors and the public.
- > Oblige investors to specify their level of ESG integration and assess ESG impacts on financial performance.
- > Establish common standards for financial products presenting or claiming ESG or sustainability.

The Principal Adverse Impact (PAI) indicators are a set of 14 mandatory climate, environment and social indicators as well as a minimum of 2 optional indicators one must monitor and disclose on a yearly basis. PAI Indicators are compiled in a template called the Regulatory Technical Standards (RTS).

Meridiam monitors and discloses PAIs² on a yearly basis.

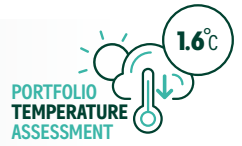
¹ Joint venture between Meridiam and Blunomy (the specialized consultant with whom the tool has been historically developed).

² <https://www.meridiam.com/wp-content/uploads/2023/07/Meridiam-PAI.pdf>



Meridiam continued working closely with the assets to further improve their contribution to the SDGs with a focus on deploying the policies and tools. Assets being constantly challenged to be even more innovative and proactive.

MT Meridiam Transition



MERIDIAM - Global results

SDG 5 - 8 - 17

100% of assets have taken some actions to implement social practices including throughout the supply chain focusing on social and labor rights, ESG compliance, diversity promotion and harassment prevention, and gender equality.

SDG 7

100% of assets are committed to taking actions either to reduce their energy consumption, to implement energy efficiency measures or to increase their use of renewable energy.

SDG 9 - 11

Meridiam reinforced its climate-related risk management to undertake an analysis of physical risks associated with climate change for all assets in portfolio. The analysis was performed for two climate scenarios and for 2030 and 2050. It covers the vulnerability level of each asset's processes to the various climate hazards and the financial dependencies in terms of CAPEX and EBITDA.

SDG 13

80% of assets have implemented actions to reduce their greenhouse gas emissions. In parallel, Meridiam is deploying its MAD initiative.

SDG 14 - 15

49% of assets have included obligations in suppliers' contracts to reduce pressures on biodiversity and preserving resource. One of Meridiam's mission objectives aims at achieving 100% of assets imposing such measures to the supply chain by 2030.

SDG 6

100% of the energy producers within the fund monitor the pollutant concentration of their water discharge. 90% of assets in the fund are committed to take actions to reduce water consumption or improve the amount of wastewater sent to recycling.

SDG 7

- ▶ In 2023, the portfolio produced an aggregated 947,910 MWh in renewable energy, based on a total installed renewable energy capacity of 44.21 MW. Renewable energy represented 65% of the portfolio's total final energy consumption.
- ▶ 100% of the electricity supplied by Allego and Carrefour EV charging to customers is low-carbon of which 90% is purely renewable either coming through hydro electricity or directly sourced from wind and solar farms through PPAs.

SDG 8

- ▶ 100% of assets are committed to promote diversity and prevent harassment with the implementation of policies and internal measures and monitoring systems.

SDG 12

- ▶ 1,3 million tonnes of waste/biowaste have been converted into energy by the methanisation units.
- ▶ On average, portfolio companies reported recycling about 92% of their waste.

SDG 13

The fund has contributed to avoid 415,622 tCO₂ compared to a 2°C trajectory.



MI Meridiam Infrastructure

SDG 5

100% of assets take actions regarding gender fair wage, diversity promotion and harassment prevention.

SDG 7

100% of assets have renewable energy in their consumption mix. 87% of assets have committed to improve the share of renewable energy consumption in their mix.

SDG 9

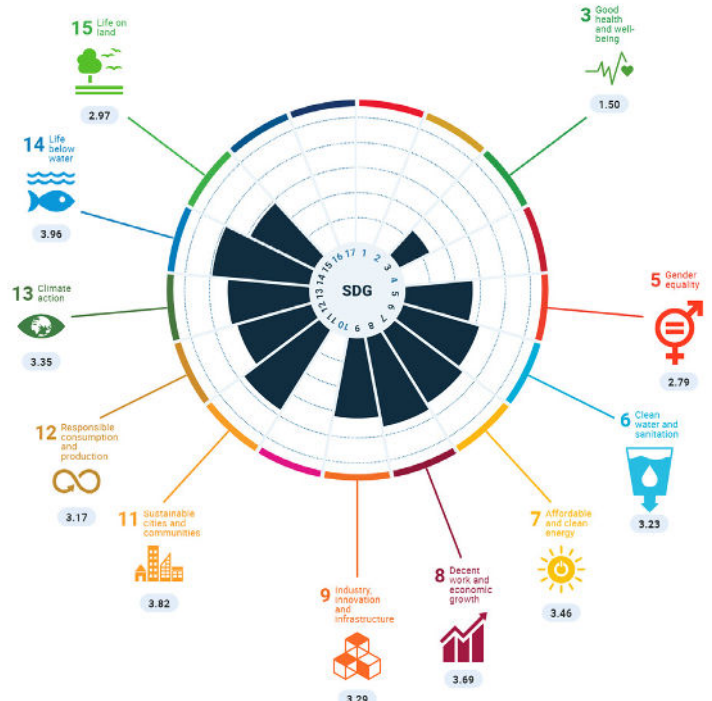
100% of assets have conducted a climate risk assessment of which 78% having already deployed an action plan addressing resiliency.

SDG 11

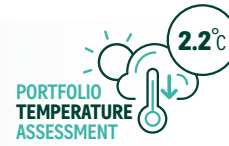
100% of road assets have implemented concrete initiatives to encourage eco-driving either by installing electric or hydrogen stations on the road or by implementing a pricing policy/lane availability policy.

SDG 13

100% of assets are involved in carbon emissions reduction. 67% of assets have a monitoring system or a periodic assessment to measure carbon emissions, have set a reduction target and implemented initiatives to meet their emission reduction target.



MIEII Meridiam Infrastructure Europe II



SDG 3

Turkish hospitals represent an additional 4463 hospital beds and 100% of them have a high collaborative engagement with domestic and international health bodies for early warning, risk reduction and management of health risks.

SDG 7 - 11

100% of assets take actions to improve their renewable energy consumption mix and/or reduce their energy consumption through deployment of initiatives such as the inclusion of energy efficiency measures, the use of self-consumption or small-scale electricity generation systems on site or measures to encourage cleaner mobility.

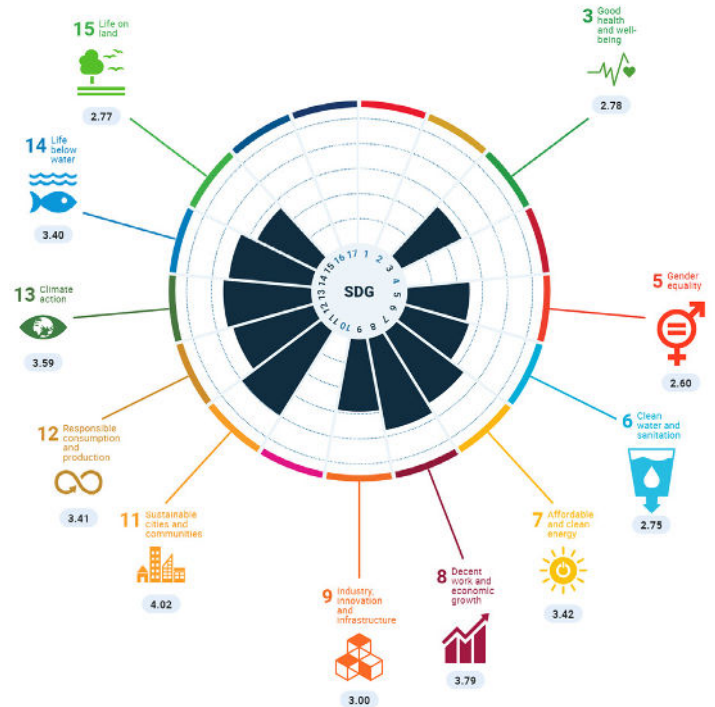
SDG 8

100% of assets have taken actions to implement social practices directly at asset level and throughout the whole supply chain.

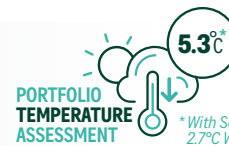
- 95% of assets' suppliers/subcontractors have a strong level of alignment with the asset's social and labor rights.
- 86% of assets have a strong level of contractually binding obligations to ensure suppliers' and subcontractors' ESG compliance.
- 100% of assets have internal diversity promotion and harassment prevention commitments and measures.

SDG 12

90% of assets take actions to reduce their waste generation and improve waste handling through namely, monitoring systems and recycling initiatives.



MIEIII Meridiam Infrastructure Europe III



* With Scope 3 of Amman and Sofia
2.7°C Without Scope 3 of Amman and Sofia

SDG 4

93% of assets take actions to improve their renewable energy consumption mix and/or reduce their energy consumption. 80% of the assets have included energy efficiency measures in the design or the renovation of their buildings with more than 2/3 of assets having managed to obtain a sustainability-related certification.

SDG 5

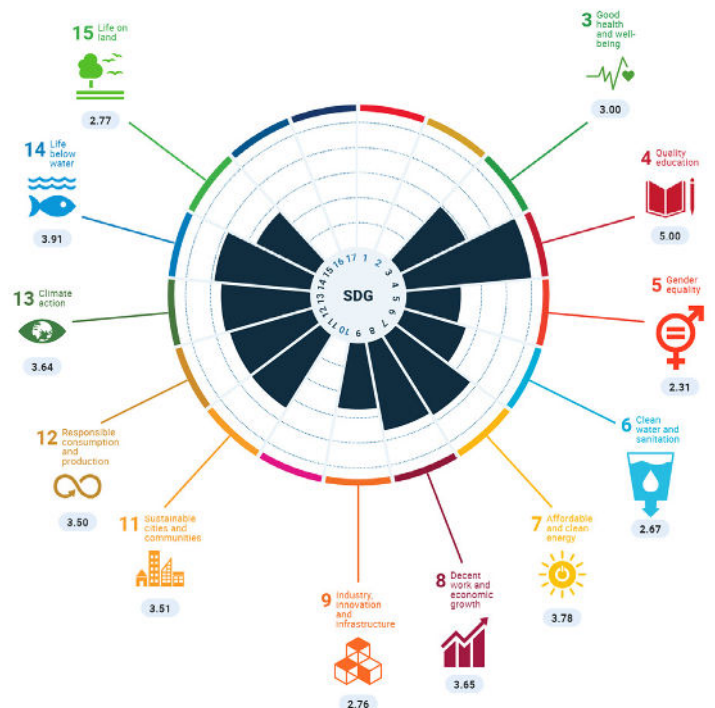
87% of assets have implemented actions regarding gender fair wage and 40% have taken concrete actions to address gender equality in management positions (i.e. mentorship, selective hiring, etc.).

SDG 8

100% of assets have mechanisms in place to check and deal with suppliers' compliance. Almost half of assets have a comprehensive monitoring system covering topics as wide as Human rights, Anti corruption and bribery, Health and safety, E&S applicable performance standards and Workers and communities.

SDG 12

87% of assets take actions to reduce their waste generation and improve waste handling.



MSIE IV Meridiam Sustainable Infrastructure Europe IV



SDG 7

86% of assets reported monitoring their energy consumption, of which 66% reported having initiatives in place to improve their renewable energy consumption mix and/or reduce their energy consumption.

SDG 8

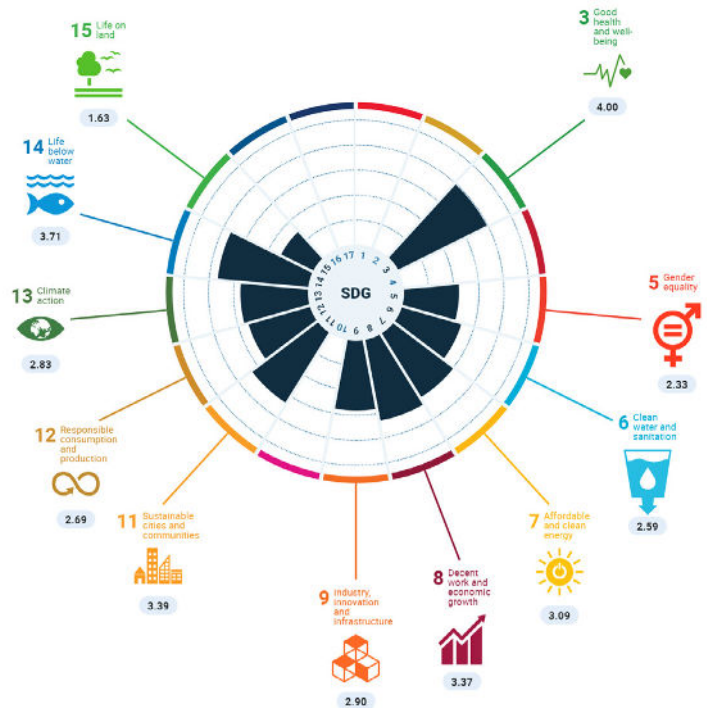
- ▶ 71% of assets reported having a policy or code in place regarding gender fair wages.
- ▶ 86% of assets have ensured their suppliers/subcontractors strong level of alignment with the asset's social and labour right.
- ▶ 86% of assets have internal commitments, measures as well as monitoring systems ensuring a strong diversity promotion and harassment prevention.

SDG 9

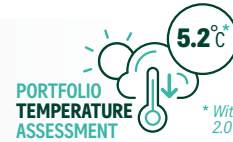
100% of the fiber assets, substantially contribute to the upgrade and enhancement of the national telecommunication system through their new technology deployed.

SDG 13

71% of the assets monitor their greenhouse gas emissions, of which 80% are still in construction.



MINAI Meridiam Infrastructure North America II



* With Scope 3 of LaGuardia.
2.0°C without scope 3 of LaGuardia

SDG 3

Both CRCHUM and Felix Bulnes have a high collaborative engagement with domestic and international health bodies for early warning, risk reduction and management of health risks.

SDG 5

100% of assets take actions regarding gender fair wage, diversity promotion and the harassment prevention.

SDG 7

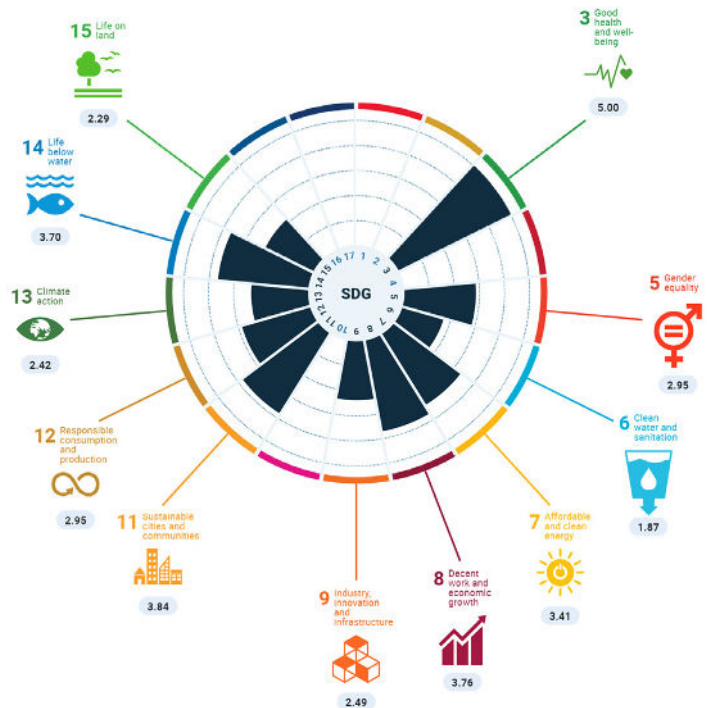
- ▶ 100% of assets are committed to taking actions to improve their energy consumption.
- ▶ 100% of assets have designed and/or renovated the infrastructure to include energy efficiency measures.
- ▶ 77% of assets have obtained a sustainability-related certification such as ISO 50001, ISO 14001, LEED, BREEAM.

SDG 8

- ▶ 100% of assets have taken actions to implement sustainable practices throughout the whole supply chain.
- ▶ 92% of assets have a strong level of contractually binding obligations to ensure suppliers' and subcontractors' ESG compliance.
- ▶ 100% of assets' suppliers/subcontractors have a strong level of alignment with the asset's social and labor rights.

SDG 11

57% of road assets have a pricing policy or lane availability policy that contributes to the promotion of cleaner/lighter vehicles or more efficient mobility.



MINAIII Meridiam Infrastructure North America III



SDG 5

87% of assets take actions regarding gender fair wage, diversity promotion and harassment prevention.

SDG 7

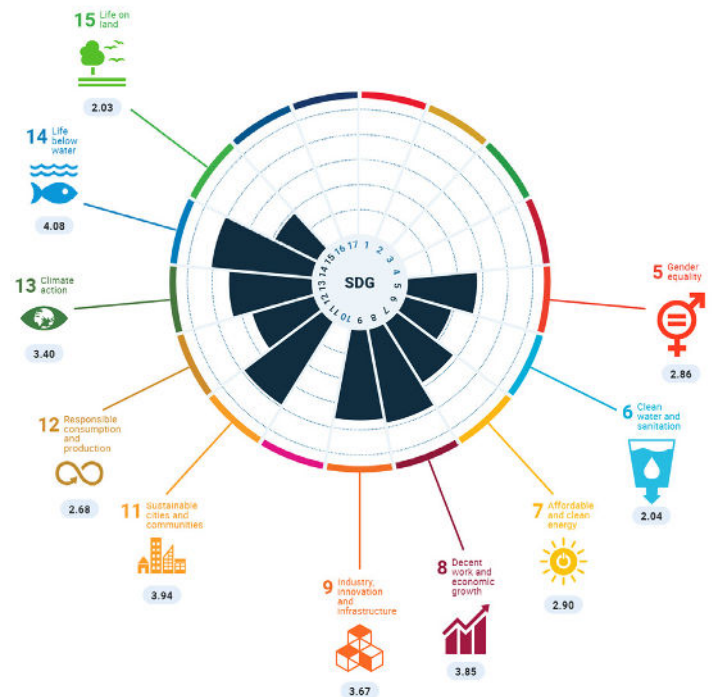
75% of assets are committed to improve their renewable energy consumption mix and/or reduce their energy consumption.

SDG 8

100% of assets' employees have received trainings on different topics such as Health and Safety, ESG and environmental & social management and anti-bribery and corruption.

SDG 13

80% of assets are involved in carbon emissions reduction. 63% of assets have either a target in place or already implemented initiatives to reduce their carbon emission.



MIAF Meridiam Infrastructure Africa Fund



SDG 5

100% of assets take actions regarding gender fair wage, diversity promotion and the harassment prevention.

SDG 6

100% of assets take actions to reduce their water consumption through monitoring systems and the deployment initiatives.

SDG 7

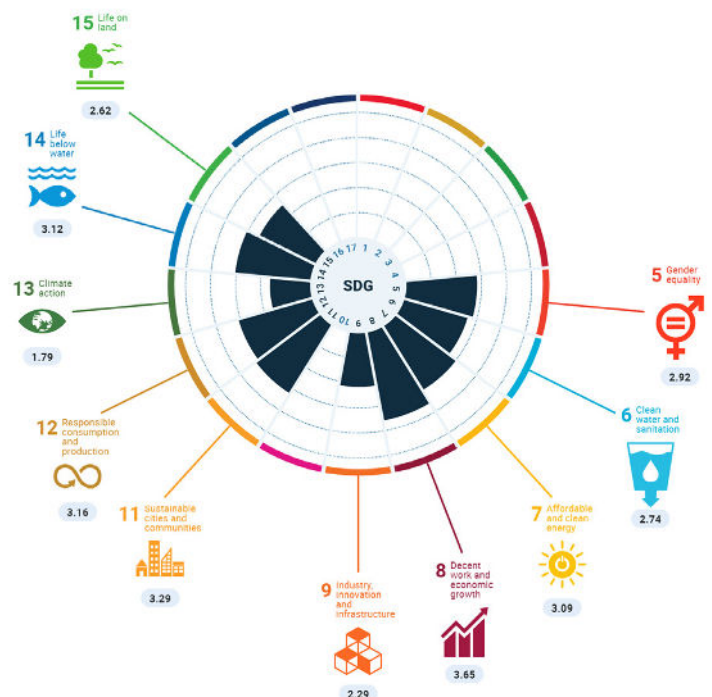
The renewable energy production assets represent:
 > In Senegal only, more than 8% of the national total installed energy capacity with our 120 MW solar plants*.
 > A total renewable energy production of 187.3 GWh.

SDG 8

100% of assets have taken actions to implement sustainable practices throughout the whole supply chain:
 > 100% of assets have a strong level of contractually binding obligations to ensure suppliers' and subcontractors' ESG compliance.
 > 100% of assets have mechanisms in place to check and deal with suppliers' compliance regarding E&S applicable performance standards, Anti-corruption and bribery and Human rights.

SDG 15

72% of assets have measures and/or obligations in the suppliers' contracts relating to reducing pressures on biodiversity and preserving resources.



* <https://countryeconomy.com/energy-and-environment/electricity-generation/senegal>

Business Case

Decarbonising Energy Systems

Taking Fossil Fuels Out of the Equation



Accelerate Energy Transition

January 2024 was the warmest global temperature on record, coming in 0.70°C above the 30-year average for January and 0.12°C higher than the temperature of the previous warmest January in 2020, according to the EU-funded Copernicus Climate Change Service.

Far from being an anomaly, it was the eighth month in a row of new record temperatures¹. The result put the global mean temperature for the prior 12 months 1.52°C above the pre-industrial average, the first time that the Paris Agreement target has been breached for a 12-month period.

Policymakers are taking note. The agreement to “transition away” from fossil fuels at COP28 represents a new landmark, according to UN Climate Change Executive Secretary Simon Stiell, and “the beginning of the end for fossil fuels”². Yet, the fact remains that countries are drifting off course when it comes to their Paris Agreement goals. Scientists believe it is too early to say that we are losing our fight against climate change, but there can be no doubt that we need to step up efforts to decarbonise our global economy and society.

The goal of eradicating fossil fuels may be obvious, but the path towards it is complex. To many, decarbonisation only means replacing fossil fuels with renewable energy, thereby reducing CO₂ emissions, but it goes beyond. Decarbonisation requires joined-up thinking that not only takes fossil fuels out of the energy production mix, but also **increases energy efficiency via measures including smart systems, energy storage, and alternative fuels, as well as more controlled consumption**. And it must recognise the different requirements and stages of evolution of emerging markets versus developed economies, enabling decarbonisation to be a driver of development rather than a brake on progress for the least advantaged.

¹. <https://climate.copernicus.eu/copernicus-2024-world-experienced-warmest-january-record#:~:text=The%20global%20mean%20temperature%20for,%2D1900%20pre%2Dindustrial%20average.>

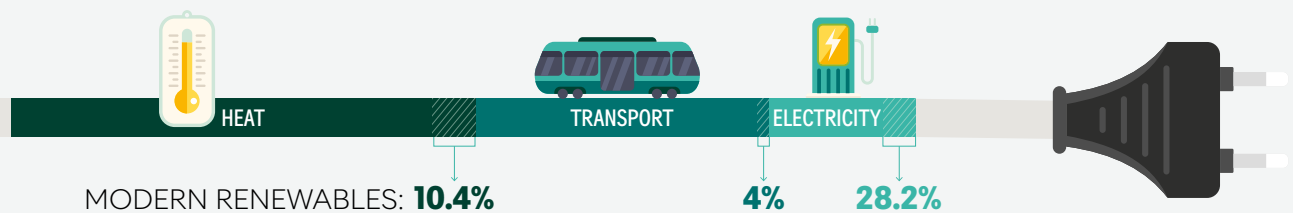
². <https://unfccc.int/news/cop28-agreement-signals-beginning-of-the-end-of-the-fossil-fuel-era>

Aligned With the Three Key Targets for SDG 7

- » Ensure universal access to affordable, reliable and modern energy services
- » Increase substantially the share of renewable energy in the global energy mix
- » Double the global rate of improvement in energy efficiency

Addressing these challenges requires innovation as well as investment. We think outside the box to create projects that are designed to deliver energy efficiently to users and decarbonise energy networks by reducing our world's reliance on fossil fuels while **building up clean and sustainable alternatives.**

RENEWABLES POWER NEARLY 30% OF ELECTRICITY GLOBALLY BUT REMAIN LOW IN HEATING AND TRANSPORT (2020)*

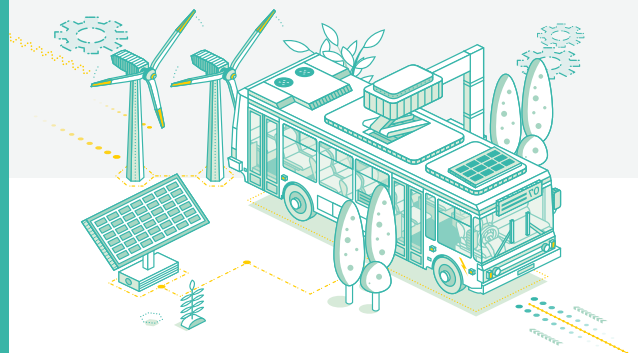


* Source: The Sustainable Development Goals Report 2023: Special Edition unstats.un.org/sdgs/report/2023



Decarbonisation for us means thinking about where we can have the most impact. Because we understand the risks, we can go to underserved places and sectors where others are not.

David Delgado Romero,
Partner & Director, Central and Eastern Europe



Ensuring Access Around the World

Access to affordable and clean energy can mean very different things depending on where you are born.

According to UN data, 675 m people still live without electricity, and four out of five of those are in sub-Saharan Africa. With such vast numbers of people still missing out, **access in developing countries means creating reliable renewable power and connecting people to the grid** – either in the largest number possible, or via generation that brings electricity to previously unconnected regions.



Our recent projects draw on the best available resources to ensure improved access. In 2023, we entered into an agreement with the Republic of Togo for a 64 MW photovoltaic solar plant that will provide power to some 700,000 people in Sokodé, the second-largest city in Togo³, and its surrounding areas. Our acquisition of the 100 MW Kipeto wind farm, 70 km from Nairobi in Kenya, gives us the capacity to serve a further 250,000 households, while Rift Valley Energy Tanzania, which combines hydro power and wind turbines, will ultimately deliver 30 MW of power.

3. <https://www.worldatlas.com/articles/which-are-the-biggest-cities-in-togo.html>

Solutions can be even more micro, giving individuals, small communities, and businesses clean power to replace fossil fuel alternatives. **The development of the NeOT Offgrid Africa programme spans five countries** – Benin, Ivory Coast, Nigeria, Sierra Leone and Uganda – with solar home systems and mini-grids that replace unreliable and polluting diesel generators. To date, the project has electrified over 50,000 homes and businesses.

These assets join a wide-ranging Meridiam energy portfolio across Africa to generate over 500 MW of capacity that will bring power to millions of homes.

In developed countries, basic access is not the challenge. Rather it is access to the right kind of clean energy, as well as infrastructure in locations where it can feed the necessary transitions to greener transport. Back in 2015, when we invested in Allego, electric mobility and EV charging infrastructure projects were still emerging, with the company only present in the Netherlands. Today, **that network has been expanded to over 35,000 public charging points across 16 countries**, including charging for businesses and their staff, and retailers and their

customers, backed by a suite of cloud services to ensure the network works efficiently and reaches more people.

The shift to EVs also requires innovation that can increase vehicle range and public confidence. Last year, **we became a cornerstone investor in battery start-up Verkor** when it raised €2 bn in public and private financing to construct a gigafactory near Dunkerque for EV and static storage batteries, and conduct research into new state-of-the-art cells.

Innovation in renewables can take the form of lower-tech solutions that improve stability and availability of clean energy. Wind and other renewables can produce vast amounts of excess energy that can be stored short-term in large-scale batteries or longer term in pumped hydro. Excess energy from renewables can be used to pump water up to a high reservoir that can be released at any time to generate clean energy within minutes.

Access to affordable and clean energy comes with transformation of the entire energy system.



*At Meridiam,
we constantly strive to
think outside the box
and push innovation to
implement sustainable
alternatives.*

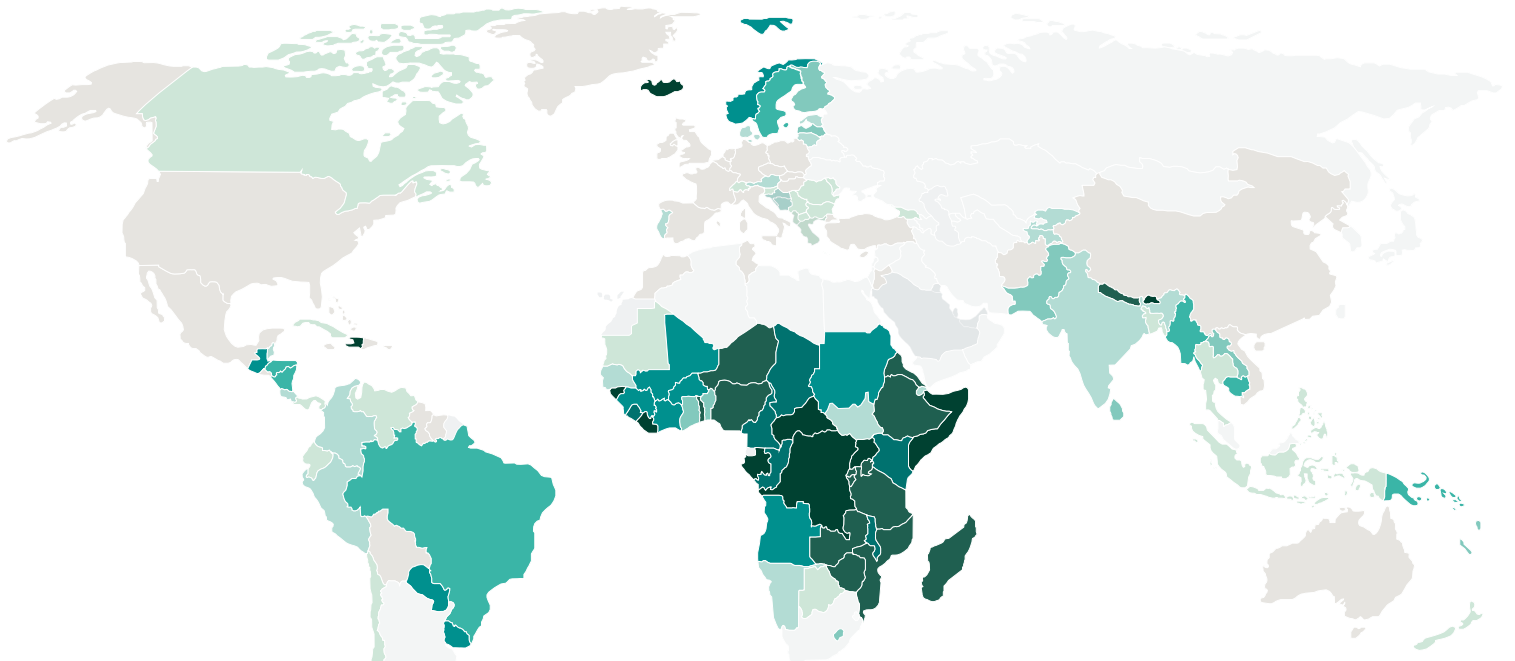
David Delgado Romero,
Partner & Director, Central and
Eastern Europe

MICRO PUMPED STORAGE POWER STATION IN MARTINIQUE

- **7 MW injection capacity in urban environment with reservoirs of 34.000 m³ in the upper reservoir**
- **Project will contribute to the electricity system stability through up to 2 MW of primary reserve service**
- **Direct contract with distribution company following Regulator deliberation**
- **Up to 290 000 tons of CO₂ estimated reduction over the life of the contract**

The PSPS consist of 7 MW turbinning capacity (4.6 MW of pumping capacity) to be injected over 4-hour cycles. It will strengthen Martinique electric distribution network reliability. It will store unused electricity during the day to inject it in the network at peak hours whilst providing essential services to the network operator as inertia and on-demand reserve. It will enable at the same time a higher penetration of intermittent renewables contributing to achieve a greater energy autonomy to the Island. Several diesel generators are still providing electricity to the grid in Martinique. The development of the project is advanced with well progressed environmental and construction permit processes.

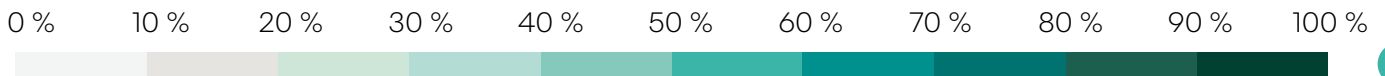
» Renewable energy includes solar, wind, geothermal, hydropower, bioenergy, and marine sources.*



2020

Renewable energy share– which includes solar, wind, geothermal, hydropower, bioenergy, and marine sources – in the total final energy consumption. Final energy consumption is defined as the total energy consumption after subtracting non-energy use and energy losses.

Target: “By 2030, increase substantially the share of renewable energy in the global energy mix.”



* <https://ourworldindata.org/sdgs/affordable-clean-energy>

NeuConnect interconnector⁴

- 1.4 GW of electricity carrying capacity, increasing renewables access
- 13 m tonnes of CO₂ emissions avoided over 25 years
- £1.7 bn of economic benefits to UK consumers

Maximising the decarbonisation potential of renewable energy resources requires cooperation between energy networks. In late 2022, we began work on NeuConnect, the first subsea interconnector cable linking Germany and the UK, two of Europe’s largest energy markets⁵. When operational in 2028, the 725 km cable will enable up to 1.4 GW of electricity to flow from Germany’s offshore windfarms to the UK, allowing excess electricity to be supplied to UK consumers, increasing their access to clean energy and reducing costs in the power market. Power will also be able to flow the other way, potentially enabling excess British electricity to flow to Germany, increasing resilience in the continental market.

As one of the largest such projects in the world, NeuConnect is expected to meet the electricity needs of more than 1.5 m homes during its lifespan, and is forecast to reduce carbon emissions by 13 m tonnes over 25 years. **The result of improved access in the UK should be far-reaching socio-economic impacts, with an expected £1.7 bn in benefits for British consumers over the same period.**⁶



4. Under construction

5. <https://www.offshore-energy.biz/all-main-approvals-in-place-for-e2-8-billion-uk-germany-link/>

6. <https://www.offshore-mag.com/subsea/article/14280130/first-germany-uk-interconnector-reaches-financial-close>

Increasing the share of renewable energy

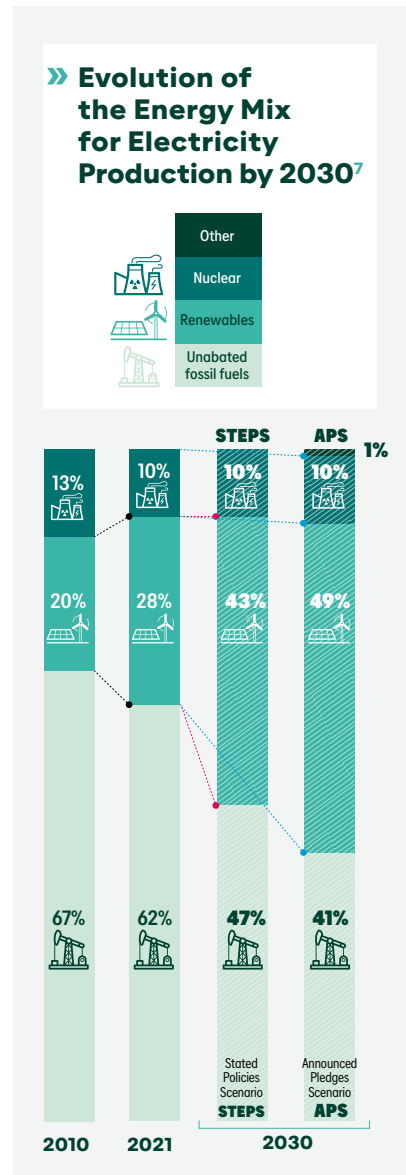
Increasing the proportion of renewable energy in the global energy mix requires a multi-pronged strategy that goes far beyond the creation of more large-scale renewable energy assets.

Reducing pressure on the grid is one of the most effective ways to limit the need for peak energy generation that often comes from coal and gas plants.

Small-scale renewable energy production can supply immediate local areas, effectively liberating the wider grid. Meridiam’s automated navigation dams on the Aisne and Meuse rivers in northeast France can produce 4.6 MW of power from four small hydropower plants, enough energy for the needs of up to 8,000 people. The 29 dams also regulate waterflow to protect against flooding, while promoting biodiversity by creating “fishways” for migratory fish to swim upriver.

High-tech industries that power the modern world, particularly in developed markets, can also have a significant drain on the grid. Ireland is home to 71 hyperscale data centres (equivalent to 21% of Europe’s hyperscale data centre demand) each of which on average consumes enough electricity annually to power up to 37,000 homes⁸. The scale of the industry is such that the Irish government passed a ban on new data centre grid connections unless they incorporate dispatchable energy generation and demand flexibility. Our Boyne Energy Campus aims to achieve this by transforming an old industrial site 15 minutes north of Dublin into **a green energy campus that can house a new data centre, and comprise electricity storage,** complying with the new regulations.

The trend towards renewable energy should quickly shift the balance in favour of green power sources. The IEA chart opposite shows how the energy mix for electricity production could evolve in the period to 2030, under two scenarios, known as STEPS and APS, which model possible trajectories.



7. <https://www.iea.org/energy-system/energy-efficiency-and-demand/energy-efficiency>
 8. <https://assets.kpmg.com/content/dam/kpmg/ie/pdf/2022/11/ie-the-evolving-data-centre-landscape.pdf>

Voltalis Demand Response Technology

- Present in 5 Countries
- 200,000+ homes already installed
- Close to 600 MWp already deployed
- c.70% reduction in CO₂ emissions

Voltalis was born out the idea that smart management of electricity consumption provides an essential source of flexibility to steer power systems. The company, in which Meridiam is the majority shareholder, coordinates and aggregates electricity consumption in real time on millions of pieces of electrical heating and cooling equipment – such as air conditioning units, heat pumps, and hot water tanks – relieving pressure on power networks.

This, in turn, limits the use of peak generation from gas or coal-fired power plants and allows for a higher ratio of renewables in the energy mix.

Voltalis smart energy boxes are installed free-of-charge for consumers, providing them with the opportunity to reduce their energy consumption by 15% on average and carbon emissions by some 70%. The technology is already installed in over 200,000 homes and businesses, predominantly in France, and is being introduced in Belgium, Finland, Slovenia and the UK. The company aims to equip 3 m homes and manage 10GW of peak demand response capacity by 2030, avoiding sizeable quantities of CO₂ emissions, while bringing stability to power networks.



We need a Europe of flexibility and Voltalis will be at the forefront of this historic transformation of our energy system.

Mathieu Bineau, Voltalis CEO

Unlocking Energy Efficiency Through Education

Buildings used by essential services are at the heart of communities, creating a significant source of emissions, as well as a large opportunity to decarbonise our environment. Both new and existing assets can benefit from ways to make them more efficient, with users being key to maximising their decarbonisation potential.

Meridiam's project in Espoo, Finland's second-largest city⁹, involves the construction and maintenance of five schools and three daycare centres for over 4,000 children. Through the incorporation of emissions-monitoring systems, the schools will actively contribute to the city's goal of being carbon neutral by 2050, as well as the UNSDG targets.

Similarly, our Welsh Education Partnership alongside the Welsh Government and local councils, aims to create schools that are net zero in their construction

and operation. The new-look buildings operate differently to schools historically, with large open spaces for natural ventilation in warm weather, as well close attention to seals that prevent heat loss in winter. Heating comes from ground and air source heat pumps, with solar panels helping meet electricity needs.

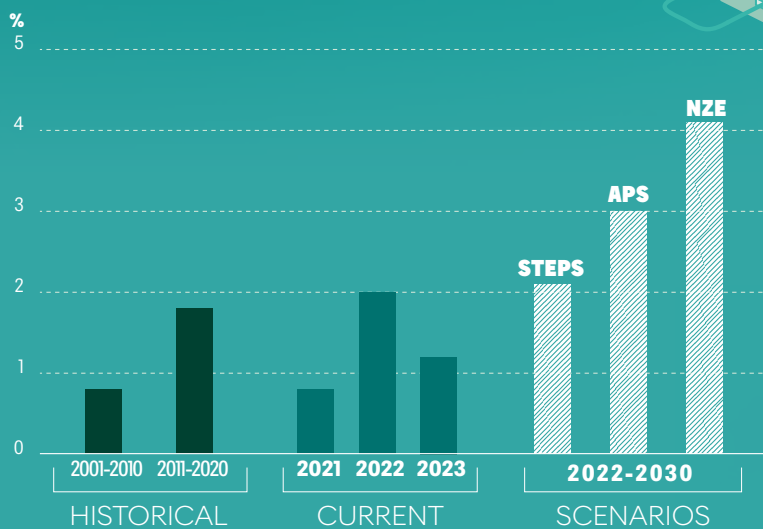
Energy efficiency not only requires new tools and processes, but also the understanding of how to use them. In Wales, we put in place regular strategic partnering meetings to educate and discuss meeting net zero with contractors. Meanwhile, training for school and facilities management staff helps them to set up and use buildings to minimise carbon emissions. Initiatives have also engaged children with net zero design, helping foster their enthusiasm to tackle climate change while developing a healthier everyday environment.

⁹ <https://www.statista.com/statistics/327469/largest-cities-in-finland/>



Energy efficiency is currently seeing a strong global focus among policy makers in recognition of its important role in enhancing energy security and affordability, and in accelerating clean energy transitions.

IEA



STEPS: Stated Policies Scenario
 APS: Announced Pledges Scenario
 NZE: Net Zero Emission

The IEA's analysis has shown that to achieve net zero emissions from the energy sector by 2050, which is essential to limit global warming to the Paris Agreement target of 1.5°C, annual improvements in energy efficiency need to double – rising from a level of 2% in 2022 to more than 4% per year on average between now and 2030.



Iowa University Campus

- *Provide capability to be Coal-free by 2025*
- *Renewable energy, microgrids and energy storage to reduce energy usage*
- *Academic partnership through programmes and internships focused on sustainability*

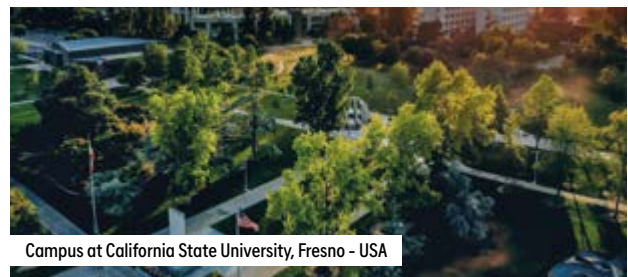
At the University of Iowa in Iowa City, we have the ambition to get the campus – spanning 90 major buildings over 1,700 acres – off coal by 2025. The university serves over 35,000 students and 14,000 staff and is also home to one of the US's largest teaching hospitals with over 13,000 employees, students and volunteers. Meridiam and consortium's plan include converting university boilers to run on sustainable biomass, such as oat hulls, grasses and other locally produced materials, as well as installing energy optimisation smart systems to reduce energy demand. Other **solutions to increase efficiency are also being developed, such as microgrids and renewable energy storage.**

A more efficient campus relies on the buy-in of the many thousands of people using it. Part of project company's agreement includes devising and delivering innovative programmes about energy transition for students and staff to benefit from experiential learning. Our team engaged with marketing students at the University's Tippie College of Business to assess student and staff knowledge about going coal-free, and with them created a marketing plan to promote the shift.

Our actions in Iowa are mirrored by our plans to decarbonise the campus at California State University, Fresno, where practical efficiency measures include the installation of LED lighting and solar panels. This is accompanied by outreach with six internship places for students to get actively involved in sustainability on campus. The projects highlight the demand among US colleges for public-private-partnerships to exit fossil fuels but lack the access to funding and management expertise to modernise ageing infrastructure.



University of Iowa - USA



Campus at California State University, Fresno - USA

Working Together to Eradicate Fossil Fuels

The challenge of decarbonisation is as complex as it is urgent. As a developer, investor and manager of infrastructure across advanced economies and developing countries, we understand the need for a comprehensive Net Zero approach that combines investment and innovation with education and partnerships. And we are committed to bringing our expertise, investment, innovation, and partnerships to support an accelerated low-carbon future. However, we cannot do this alone. We need the collaboration and participation of all the stakeholders involved. The world must look beyond only the construction of more renewable energy assets and at solutions that maximise the potential of clean natural resources and increase efficiency in our everyday systems.

The way forward needs to enable developing countries to grow sustainably, while giving developed countries the tools to transition to cleaner economies. **Above all, it needs international resolutions and concerted action by policy makers, investors, companies and people to take fossil fuels out of the equation.**



Projects Focus

MERIDIAM INVESTS IN THREE CORE AREAS



CRITICAL PUBLIC SERVICES



SUSTAINABLE MOBILITY



INNOVATIVE LOW-CARBON SOLUTIONS

Our goal, through our Mission, is to work with our investors and partners to deliver infrastructure that improves the quality of people's lives. We make this happen by aligning **our Five Pillars** with the **UN Sustainable Development Goals**. The result is infrastructure that has meaningful and measurable positive impact on people and the planet.

1. Deliver resilient infrastructure & develop sustainable cities



Resilient infrastructure and Sustainable Cities



2. Accelerate energy transition



Clean and affordable energy



3. Avoid & reduce emissions



Climate strategy



4. Promote good work conditions, inclusion, diversity & gender equality



Decent work, inclusion, and gender



5. Protect & enhance biodiversity



Biodiversity





Deliver Resilient Infrastructure & Develop Sustainable Cities
 Avoid & Reduce Emissions
 Good Work Conditions, Inclusion, Diversity & Gender Equality



Directly contributes to high-quality education in Wales with up to 30 schools and colleges, as well as five schools and three childcare centres in Espoo.



All Espoo sites incorporate energy efficiency into their design and will implement emission reduction monitoring equipment on completion, while Wales schools will be built to a Net Zero approach.

Created the WEP Academy to strengthen construction industry knowledge in areas that support decarbonisation and promote innovation.



WEP commits to community benefits, including educational engagement with students, job opportunities in the region, and use of local SMEs.

WEP embraces diversity and recognises employers' responsibility to prioritise and promote inclusion, while eliminating unfair and inappropriate barriers.



Espoo schools and childcare locations are working to provide universal access to safe, inclusive and accessible public spaces.

WEP contributes to creating sustainable cities by higher development of green areas as a part of school planning and design.



WEP partners with public and private sectors to improve educational attainment in Wales which trails other parts of the UK.

Sustainable Schools for Quality Education

Every child deserves a good start in life, and a quality education can open doors to advancement and opportunities. But schools are much more than an educational institution, they are hubs for communities and potential sources of work, inclusion and learning for adults.

In 2020, Meridiam embarked on its partnership to deliver up to 30 new schools and colleges in Wales, where educational attainment lags other parts of the UK, and started work in a project to create schools and daycare centres for over 4,000 students in Finland's second city Espoo. Now, over three years on, all schools and childcare projects in Finland have been delivered and the first projects in Wales are forging ahead. The Mynydd Isa school in Flintshire, north Wales, is scheduled for completion in November 2024 and will provide 1,300 places for children aged 3-16 on a BREEAM "Excellent" rated campus. Like the other Welsh schools in planning or development, it aims to be Net Zero in operation, contributing directly to Wales' decarbonisation and SDG goals, and is conceived with healthy indoor and outdoor spaces to benefit pupil and staff wellbeing.

Recognising the need for fair and sustainable employment in the area, our project company is working with local businesses, many of which are SMEs that are critical to employment in the community.

We have established the WEP Academy to boost knowledge and skills in the construction industry, particularly with regard to Net Zero construction. Our project company's priorities also include sustainable procurement that benefits businesses and communities throughout the value chain, as well as employment practices that promote diversity and inclusion, and eliminate unfair or inappropriate barriers.

Our project in Espoo recognises the challenges of the often harsh local climate in the winter months. As a result of our commitment to enhance the learning environment for pupils and teachers, we have a particular focus on improving air quality to provide healthier and more functional buildings for users.



Noykkion päiväkoti schools - Finland



Mynydd isa school - Wales



Deliver Resilient Infrastructure & Develop Sustainable Cities
 Avoid & Reduce Emissions
 Good Work Conditions, Inclusion, Diversity & Gender Equality

Driving Change on the Road

Meridiam is a leading developer of transport infrastructure via public-private partnerships in the US. We understand public authorities' need to deliver high-quality transport infrastructure that reduces pressure on cities, while helping commuters reach their destinations more safely and quickly. Fit-for-purpose road infrastructure is critical to the creation of sustainable and resilient cities in the US. Without it, the negative effects on the people and the environment would be significantly worse.

Our portfolio of managed lanes and tolled roads across the country shows how better-conceived roads can improve journey times and reduce congestion, effectively avoiding emissions. For instance, the LBJ Express project, covering 13.4 miles of highway in North Dallas, gives drivers the choice between tolled express roads and improved free general highway lanes, improving traffic fluidity and avoiding an estimated 65,000 tonnes of CO₂ each year. **The positive impact is enhanced by the use of low-consumption LED lighting** along the highway, as well as solar panels that produce about 30% of the power needs at the project's administrative buildings.

Our assets can be more efficient in the construction process.

The transformation of the I-66 Outside the Beltway on the outskirts of Washington DC – one of the country's largest multi-modal transportation projects – involved repurposing over 430,000 tonnes of crushed concrete and 1 million tonnes of crushed stone from the existing highway, reducing the amount of material produced and transported.

Moreover, our road projects seek direct and indirect ways of benefitting local economies, as well as communities. The I-66 project engaged over 400 local and regional subcontractors and suppliers, accounting for over 20% of construction contracts. Meanwhile, the reconstruction of a section of the I-70 in Denver enabled us to relink two neighbourhoods that had been separated for over half a century with a new four-acre park, that includes an amphitheatre, sports field and play areas, bringing new life into the area.

7 AFFORDABLE AND CLEAN ENERGY
 I-66 project has internal policies to promote emission reduction, raise commuter awareness of eco-driving, and "park-n-ride" facilities for group commuting.
 Energy for North Tarrant Expressway project company comes from 100% renewable energy-based providers.

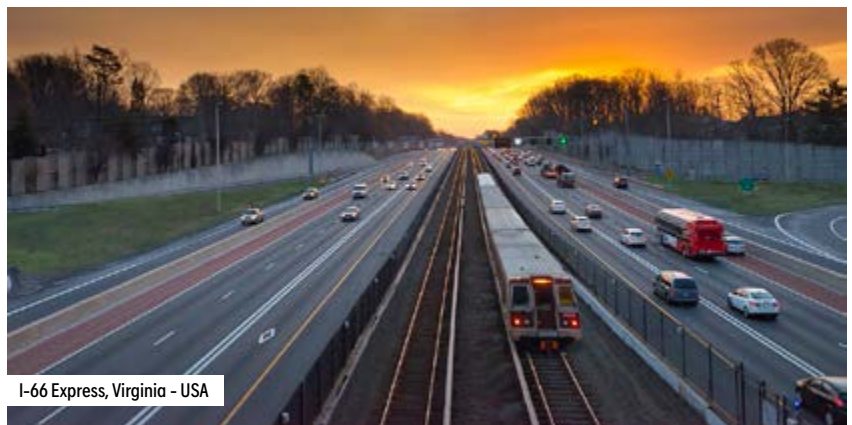
9 BIODIVERSITY AND INFRASTRUCTURE
 Exploring ways of incorporating smart road technology in I-66 to support autonomous vehicles and make roads safer.

11 SUSTAINABLE CITIES AND COMMUNITIES
 Installation of EV charging points on North Tarrant Expressway segments, as well as collection of data across assets to increase managed lane safety.
 I-70 project supports local students with access to higher education via grants towards scholarships and partnership with Denver Scholarship Foundation.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS
 Texas managed lanes (NTE and LBJ) upgraded company ethics standards.



C-70 - Denver - USA



I-66 Express, Virginia - USA





Innovative low-carbon solutions



Accelerate Energy Transition
Good Work Conditions, Inclusion,
Diversity & Gender Equality
Protect & Enhance Biodiversity



Kipeto wind farm has capacity to serve 250,000 households, with adjacent energy storage site set to become Kenya's first battery storage facility.

RVE provides power for more than 75,000 people, as well as hundreds of schools, SMEs and village institutions in 38 rural locations in Tanzania.



400 jobs created and training for over 200 people during Kipeto construction phase, 5% of annual turnover given to Community Trust Fund.

Productive Use of Electricity initiative at RVE to help small local businesses to buy commercial electrical appliances and generate better income for their families.



Studies at RVE and expert input about the impact on aquatic life as a result of two hydroelectric plants to improve environmental flow.



Kipeto wind turbines feature Shut Down on Demand function to stop operating when birds are flying in the area, reducing negative impacts on avifauna.

Accelerating Clean Energy in Africa

Access to affordable, renewable energy is an essential service, and critical to the global energy transition, whether people live in cities or rural areas. Our projects in Kenya and Tanzania draw on a majority of available natural resources from wind and solar, to hydroelectric to provide clean electricity to hundreds of thousands of people.

That access to energy can provide an economic boost to individuals and communities, helping fuel the SMEs upon which many local economies rely. We aim to multiply those benefits with initiatives that drive job creation and income. For example, Rift Valley Energy (RVE) in Tanzania has teamed up with local partners to help small businesses invest in commercial electrical appliances that improve incomes for families while reducing emissions. Our Kipeto wind farm in Kenya is creating 400 local jobs during construction and 70 ongoing jobs during the operational phase, with training for individuals to enable them to access work opportunities longer term. Furthermore the project company will pay 5% of annual revenues to a Community Trust charged with local development.

Our businesses in Kenya and Tanzania also recognise the positive role electrification can have on local environments and health. RVE is actively promoting electric cooking which reduces deforestation and avoiding many respiratory health issues.

Protecting biodiversity is also a key consideration, particularly in regions with many endangered species. Kipeto is working with some of the world-leading ornithologists and Kenyan wildlife bodies to protect a colony of critically endangered vultures living some 14 km from the site and ensure a net-gain in the local bird population. The turbines operate an innovative Shut Down on Demand function that enables them to be stopped when birds are seen in the area. That understanding allows us to roll out similar approaches at other wind farms, where we have carried out hydrology studies and hired a biodiversity adviser to help us assess and devise approaches to protect aquatic life – as well as avifauna – around our RVE installations.



Mission Committee

Role and Composition

Meridium took the landmark step to become a Mission Company (Société à Mission) under French law in 2019, a move that reflected our firm belief that value creation is both financial and non-financial, and that for businesses with a long-term view, the two are inextricably linked. This led to the creation of our Mission Committee.



Thierry Dallard
Mission Committee Chair*



Thierry DÉAU
Founder & CEO,
Meridium



Ginette Borduas
Partner & Meridium Head
of ESG and Sustainability



Joe Clark
Meridium Supervisory Board Member,
former Canadian Prime Minister



Françoise Tauzinat
Independent mission
Committee Member



Patrice Garnier
Independent mission
Committee Member



Emmanuel Chalopin
Mission Committee Secretary, Meridium Corporate Secretary



» Our members explain their vision for our mission in this video.

* Appointed April 12, 2024

The Mission Committee is composed of management, staff and independent industry experts. It guides us towards our shared impact objectives, oversees the strategy that maintains our focus on our Mission, and above all, ensures that we deliver, at all levels and across our organisation.

Aligned yet Independent

The Mission Committee is aligned with Meridiam’s supervisory board, our executive team, and employees, as well as investors and external stakeholders. It objectively evaluates our efforts to deliver social and environmental benefits in our capacity as a Mission Company.

The Mission Committee meets at least three times a year to review and discuss Meridiam’s achievements, challenges, and new initiatives aligned with the Mission Objectives. Since the publication of the 2022-2023 Mission Committee Report in 2023, the Mission Committee met on March 11 to discuss the content of the Meridiam’s 2024 Impact Report, with a focus on the Mission Strategy and new Mission Objectives.

This section presents the Mission Committee’s opinion on the overall ESG and SDG performance of Meridiam and its assets, on the new Mission Objectives set for the 2024-2030 period, and on the actions taken in the last year to align with the Mission Strategy.



» Mission Committee Report 2023



Mission Committee Opinion

On the new Mission Objectives

The Mission Committee appreciates the work undertaken by Meridiam to meet the 2020-2023 Mission Objectives. Results showed that Meridiam exceeded its target on all SDG-linked objectives and we applaud the organisation’s strong overall progress. In relation to lower performance on Meridiam’s two governance objectives – one related to Meridiam’s Sustainability Assessment score, and the other to its Gender Equality KPI – clear measures have been identified, implementation is under way, and we agree with the proposed actions to improve performance. Furthermore, the new Mission Objectives reflect Meridiam’s willingness to continue improving on these issues as they include specific targets for both the Sustainability Assessment performance and Gender Equality at the group’s assets.

The Mission Committee agrees with Meridiam's approach to its Mission and appreciates the fact that the new Mission Objectives were defined based on the following principles:

- Continuity with the previous Mission Objectives and their ongoing alignment with Meridiam's Five Pillars linked to the UNSDGs, which best capture what Meridiam aims to achieve, and how it invests and manages assets.
- Continuity of the tools to collect data and monitor performance of the Meridiam organisation, its assets, and portfolios. These include SIMPL. to collect ESG data; CIARA to measure the carbon footprint for Scope 1, 2 and 3 emissions; and the Sustainability Assessment by Moody's.
- The new Mission Objectives are set for seven years from 2024 to 2030, in accordance with Meridiam's Net Zero Asset Managers pledge. They are also aligned with the overall SDG timeline which aims to meet the underlying targets by 2030.
- The new objectives will be monitored on a yearly basis but there is a commitment to revisit and adapt if necessary objectives themselves and the timeline after three years, at the end of 2026, to determine if the objectives are not considered ambitious enough or if they are deemed not representative of the realities of the assets.
- Taking into account the EU regulatory context, many new Mission Objectives are based on the 'Principal Adverse Impact' indicators contained in the EU Sustainable Finance Disclosure Regulation (see Table 1 of Annex I of the delegated regulation UE 2022/1288 supplementing SFDR).
- To achieve the new Mission Objectives, and to further define the expected performance of some objectives, Meridiam will implement action plans pertaining to its climate, people and nature-related strategy and policies. These plans are considered Overarching Mission Objectives and will be implemented in 2024 and 2025. Meridiam will monitor the delivery of the plans based on the timeline that has been set.
- The new Mission Objectives must be challenging and require action across all geographies. They must apply for all assets and cover climate, people and nature issues addressed by Meridiam's Mission Strategy.

Overall, the Mission Committee agrees with the new Mission Objectives, including the Overarching Mission Objectives and their relation to Meridiam's Five Pillars and the SDGs. The Committee also agrees with the indicators that have been defined to annually measure asset and portfolio performance against the objectives.

On 2023 performance of Meridiam assets and portfolios

The Mission Committee understands that SIMPL., used to assess performance in relation to the SDGs, underwent an important update in 2023, becoming a separate SaaS resource. As such, work was done on the tool's software, new modules were added, the design was improved, and the benchmarks were updated. As a result of the modifications, direct comparison with the prior year's results is not possible, but we appreciate the general performance of each portfolio of assets.

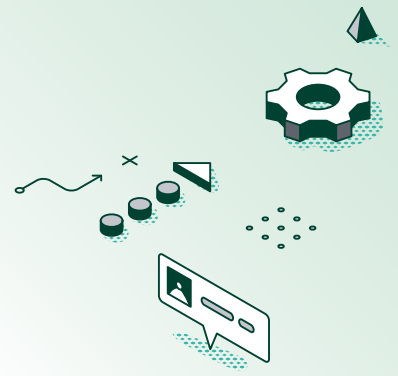
In addition, we applaud **all the initiatives launched by Meridiam during the past year which aim to have a meaningful positive impact on people and the planet.**

Meridiam's Asset Decarbonisation initiative will allow assets to define their own decarbonisation trajectories while permitting Meridiam to establish its consolidated trajectory, with a view to meeting its NZAM commitment of reducing its Scope 1 and 2 emissions by 50% by 2030. In addition, the identification of physical risks associated with climate change for each asset in the portfolio will enable the creation of action plans to address those risks as needed.

The work towards a tool to identify material risks and opportunities associated with each asset's natural environment will facilitate the publication of Meridiam's first TNFD report in 2025, as well as the preparation of relevant documentation to comply with upcoming EU regulatory requirements. This workstream addresses a concern identified by the Mission Committee in our last report to see Meridiam commit to a more comprehensive approach regarding nature and biodiversity protection, conservation, and enhancement.

The result should also be the creation of a clearly defined and transparent Meridiam Nature Policy.



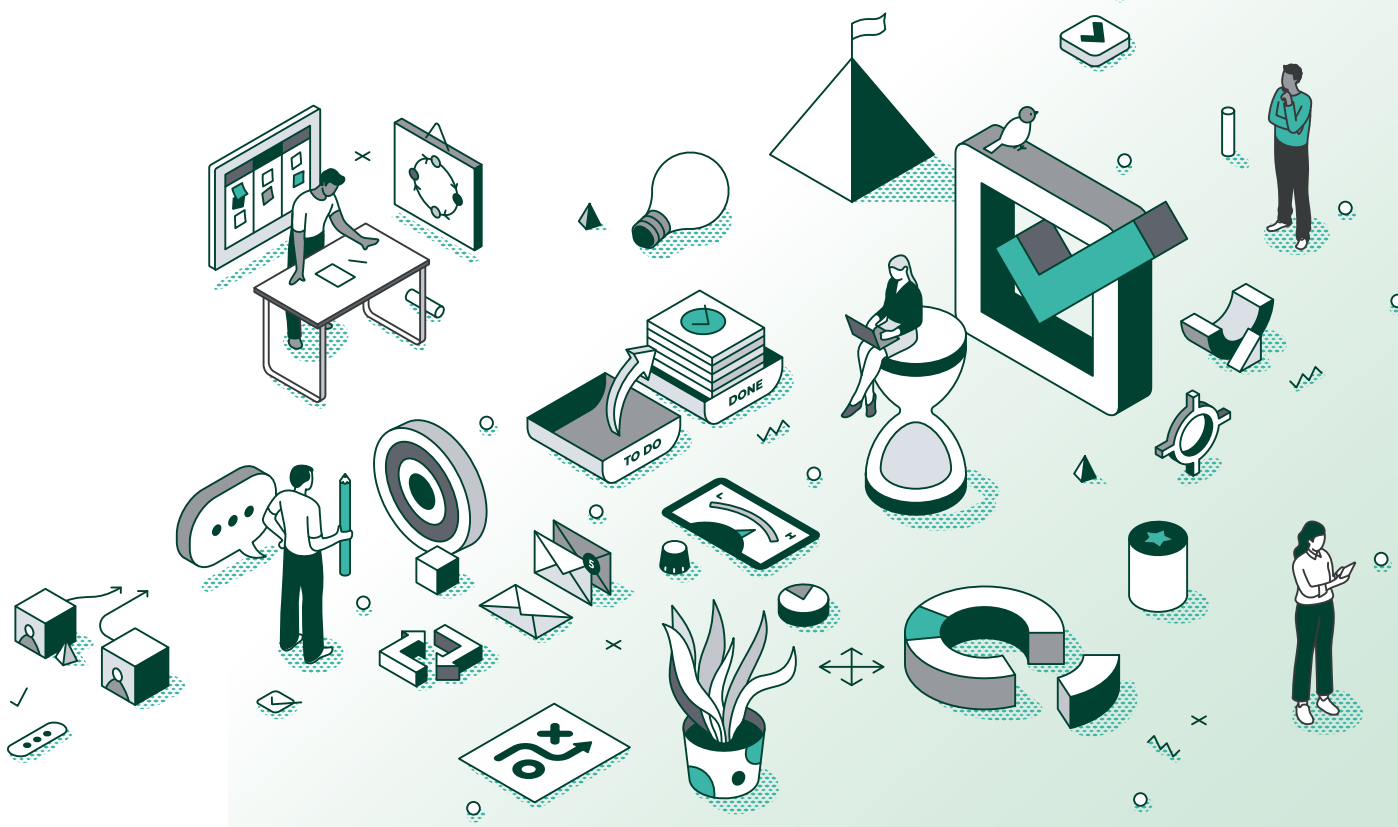


The completion and launch in early 2024 of Meridiam's Human Rights Policy addresses human rights risks and presents Meridiam's commitments for three categories of stakeholders – workers (including Meridiam staff), communities, and users. This is a critical document as it clearly sets out how Meridiam should address human rights risks and what commitments have been established for each group of stakeholders. **Meridiam plans to develop tools and guidance materials, which will be essential to implement the various commitments stated in the Human Rights Policy.**

In addition to these specific workstreams, the Mission Committee recognises the many efforts across Meridiam to ensure that the Mission Strategy is well understood, while being integrated into the business model and all activities. This work is essential to empower all employees, regardless of their role and responsibility, to live and take ownership of the Mission, and to contribute to achieving Meridiam's Mission Objectives.

The initiatives are widespread and practical, including onboarding the Mission and ESG and SDG procedures, in-house staff training, knowledge sharing, and collective activities dedicated to ESG, the SDGs and the Mission. The 2023 Meridiam Days, which brought together teams from the corporate, investment and asset arms of the organisation, was successful in allowing people to better understand how everyone can contribute to improving Meridiam's SDG performance and embody the Mission. **A special session was dedicated to climate and carbon emissions issues.**

The Mission Committee applauds Meridiam's work so far and commends the organisation's commitment to advancing its Mission in partnership with its employees and in respect of all its stakeholders.



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